Supreme Court, U.S.
FILED

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No. 01-

IN THE

Supreme Court of the United States

CREO PRODUCTS INC.,

Petitioner,

v.

DAINIPPON SCREEN MFG. CO., LTD., D.S. NORTH AMERICA HOLDINGS, INC., and DS AMERICA, INC.,

Respondents.

ON PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

PETITION FOR A WRIT OF CERTIORARI

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QUESTIONS PRESENTED

In *Warner-Jenkinson Co. v. Hilton Davis Chem. Co.*, 520 U.S. 17 (1997), this Court unanimously declined to abolish the well-established "doctrine of equivalents" that has existed in patent law for well over a century. In *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabashuki Co., Ltd.*, 234 F.3d 558 (Fed. Cir. 2000), the Court of Appeals for the Federal Circuit, sitting *en banc*, adopted and retroactively applied an "inflexible" "bright line" rule that effectively denies the protection of the doctrine of equivalents to the overwhelming majority of patent holders whose patent claims were amended at some point during prosecution. On June 18, 2001, this Court granted certiorari to consider whether the Federal Circuit's holding in *Festo* is consistent with this Court's prior decision in *Warner-Jenkinson*.

The Federal Circuit relied on its holding in *Festo* to dismiss Petitioner's claim below. To the extent this Court materially alters the Federal Circuit's holding in *Festo*, this case should be remanded for further proceedings consistent with this Court's forthcoming ruling.

The facts here show that the bright line rule adopted by the majority in *Festo* leads to substantial injustice when applied retroactively to patents prosecuted under materially different law. The issues of fairness addressed hypothetically by the dissent in *Festo* are brought into stark reality here.

The questions presented for review are:

1) Whether this case should be remanded for further proceedings consistent with this Court's forthcoming decision in *Festo*; and

2) Whether considerations of fairness have any role in the continued application of the doctrine of equivalents.

STATEMENT PURSUANT TO RULE 29.6

Petitioner, Creo Products Inc., states that it has no parent company, and that Scitex Corporation and Goldman, Sachs & Co., are the only publicly held companies that own 10% or more of Petitioner's stock.

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Creo Products Inc. hereby petitions for a writ of certiorari to review the judgment of the United States Court of Appeals for the Federal Circuit in this case.

OPINIONS BELOW

The Federal Circuit's panel decision affirming the entry of summary judgment in favor of Respondents is unreported. The District Court's order of March 24, 2000 granting summary judgment in favor of Respondents is also unreported.

STATEMENT OF JURISDICTION

The Federal Circuit entered its opinion and order on May 14, 2001. This Court has jurisdiction under 28 U.S.C. § 1254(1).

CONSTITUTIONAL AND STATUTORY PROVISIONS INVOLVED

Article 1, section 8, clause 8 of the Constitution provides:

"Congress shall have the power . . . to promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the Exclusive Right to their Respective Writings and Discoveries."

35 U.S.C. § 271(a) provides:

"Except as otherwise provided in this title, whoever without authority makes, uses, offers to sell, or sells any

patented invention, within the United States or imports into the United States any patented invention during the term of the patent therefor, infringes the patent."

STATEMENT OF THE CASE

This case presents issues substantially similar to those in *Festo*. The Federal Circuit relied on its decision in *Festo* to dismiss the patent infringement action brought by Petitioner Creo Products Inc. against the Respondent, Dainippon Screen Manufacturing Co., Ltd. (App. 4a). For the reasons stated in the now-granted Petition for Certiorari in *Festo*, Creo believes that the Federal Circuit's holding in *Festo* is inconsistent with this Court's unanimous decision in *Warner-Jenkinson*. By this petition, Creo seeks remand to the Federal Circuit for further consideration consistent with this Court's ultimate decision in *Festo*.

This case also raises issues of fairness that, while addressed hypothetically by dissenting judges in *Festo*, are very real here. Creo further seeks certiorari so that this Court can fully consider such issues in its review of *Festo*.

This case began as an attempt by Creo to enforce its core patent against Dainippon Screen. Jurisdiction in the District Court was based on 28 U.S.C. § 1338(a). Ultimately, the District Court granted Dainippon Screen's motion for summary judgment of non-infringement, holding that, because Creo's patent claim was amended during prosecution, Creo was entitled to *no* range of equivalents under the doctrine of equivalents.[1] (App. 17a).

1. At that time, the Federal Circuit had not yet ruled in *Festo*, and the District Court's decision was based on the Federal Circuit's panel decision in *Sextant Avionique, S.A. v. Analog Devices, Inc.*, (Cont'd)

On appeal, a panel of the Federal Circuit, relying on *Festo*, affirmed the District Court. (App. 4a). By mechanically applying *Festo's* bright line rule, the Federal Circuit declined to consider a number of mitigating factors present in the case.

The disposition below illustrates perfectly the types of inequities and injustices that result when careful consideration and reasoned judgment are abandoned in favor of bright line tests and rules. This case demonstrates that the resulting potential for "unfairness," which this Court considered in *Warner-Jenkinson* and the dissenting judges warned of in *Festo*, is, in fact, all too real.

1. *Creo is an actual example of a successful start-up company built around the ideas of an individual inventor.* Creo is currently the world's leading manufacturer of digital "prepress" devices. In 1986, however, when the application leading to the patent in suit was first filed, Creo had not yet been formed. Its core technology then existed only in the mind of its founder, Daniel Gelbart, a native of Israel and resident of Canada. Recognizing the potential value of his new ideas, Mr. Gelbart sought a patent. Because of his limited funds, he prepared, filed and prosecuted his United States patent application *pro se*.

Although a brilliant inventor, Mr. Gelbart lacked experience in drafting patent claims and prosecuting patent applications. This inexperience caused his patent claims to be rejected on formal grounds, even though Mr. Gelbart's

(Cont'd)
172 F.3d 817 (Fed. Cir. 1999). Like *Festo*, *Sextant Avionique* provides a harsh, rigid, bright line rule against application of the doctrine of equivalents.

technology was in fact revolutionary and unlike that of the prior art. Perhaps recognizing Mr. Gelbart's inexperience, the Patent Examiner handling Mr. Gelbart's application offered many suggestions to Mr. Gelbart as to how his claims could be amended to conform with applicable law and thereby make them allowable. Mr. Gelbart, without the assistance or advice of counsel, agreed to the Examiner's proposed amendments, and his patent ultimately issued on May 10, 1988. (L-1).

Together with two partners, Mr. Gelbart used his revolutionary, patented technology to form and build Creo – a successful public company that is recognized as the leader in its field, with annual sales exceeding five hundred million dollars.

In the wake of Creo's success, competitors naturally appeared. One of these competitors, Dainippon Screen, began selling products in direct competition with Creo. In its products, Dainippon Screen made a trivial change that, while equivalent from an optical and physical standpoint, was nevertheless sufficient to avoid the literal language of Creo's patent, a patent that had been filed and prosecuted *pro se* some ten years earlier. The change made by Dainippon Screen was clearly intended to exploit one of the claim amendments suggested to Mr. Gelbart by the Examiner during prosecution.

2. *The litigation below.* On December 12, 1998, Creo sued Dainippon Screen for infringement of the Gelbart patent and relied on the doctrine of equivalents to establish infringement. Creo developed and submitted unrebutted expert testimony that the trivial change made by Dainippon Screen was simply a well-known equivalent of Creo's

patented structure and that the differences between Dainippon Screen's products and Creo's claimed structure were insubstantial. This point was not even in serious dispute. The District Court in fact stated, "For purposes of this motion, Screen *concedes* that its products contain a structure equivalent to the curved substrate limitation." (App. 15a. Emphasis in original.) The District Court, however, applying the bright line test of *Sextant Avionique*, found it unnecessary even to consider the similarities between Dainippon Screen's products and Creo's claimed structure. (App. 23a-24a).

The District Court held that, because the claim had been amended, Creo was now completely barred from any reliance on the doctrine of equivalents. Accordingly, such matters as the similarities between the accused and patented products, and the circumstances under which Mr. Gelbart's patent application was prosecuted and amended, were immaterial to the court's analysis.

The amendment at the heart of the District Court's analysis was in fact proposed by the Patent Examiner, not Mr. Gelbart, and was made by way of a so-called "Examiner's Amendment," a common Patent Office procedure wherein the Examiner enters an amendment without formal written instruction from the applicant. There is no dispute that the amendment giving rise to the "complete bar" imposed below was proposed by, and originated with, the Examiner rather than Mr. Gelbart.

On appeal, the Federal Circuit, relying on its recent *en banc* decision in *Festo,* affirmed the District Court, holding that the "complete bar" of *Festo* precludes any reliance by Creo on the doctrine of equivalents.[2] (App. 4a). The Federal

2. In a particularly cruel twist of fate and timing, the Federal Circuit's *en banc* decision in *Festo* was issued sixteen days *after* (Cont'd)

Circuit declined to consider any mitigating factors and reached its result without regard for whether the result was fair, equitable or consistent with the constitutional purpose of the patent system.

The net effect of the rulings below is that the patent Creo relies on to protect its core technology now has a hole in it large enough to render the patent worthless. That hole exists because Mr. Gelbart, a *pro se* applicant, who is not a lawyer, who speaks English as a second language, and who complied in good faith with all applicable rules and statutes, trusted the recommendation of the official United States Patent and Trademark Office Examiner handling his application. That hole exists because the Federal Circuit retroactively changed the rules twelve years after Mr. Gelbart prosecuted his application.

3. *This Court's decision in Warner-Jenkinson affirms that "fairness" continues to play a role in applying the doctrine of equivalents.* In *Warner-Jenkinson,* this Court expressly declined to adopt a bright line test and noted that "To change so substantially the rules of the game now could very well subvert the various balances the PTO sought to strike when issuing the numerous patents which have not yet expired and which would be affected by our decision." 520 U.S. at 32, n.6.

Justice Ginsburg's concurring opinion in *Warner-Jenkinson* is devoted entirely to the inherent unfairness of changing long established rules retroactively. Recognizing

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(Cont'd)
Creo filed its opening brief in its appeal and twenty four days *before* Dainippon Screen's answering brief was due in the Federal Circuit. Creo was thus faced not only with a retroactive change in the law after its patent was obtained, the change came in the middle of its appeal.

that *Warner-Jenkinson's* creation of a "rebuttable presumption" materially changes long-standing patent application procedures, Justice Ginsburg noted that

> The new presumption, if applied woodenly, might in some instances unfairly discount the expectations of a patentee who had no notice at the time of patent prosecution that such a presumption would apply. Such a patentee would have had little incentive to insist that the reasons for all modifications be memorialized in the file wrapper as they were made. Years after the fact, the patentee may find it difficult to establish an evidentiary basis that would overcome the new presumption. The Court's opinion is sensitive to this problem.

Id. at 41.

4. *The dissent in Festo recognized the inherent unfairness of the majority's decision.* In *Festo*, the inherent unfairness of changing the rules retroactively was of concern to several of the dissenting and separately concurring judges.

In his concurring opinion, Judge Plager called the majority's approach "a second-best solution to an unsatisfactory situation." 234 F.3d at 591. Judge Plager stressed that equity lies at the heart of the doctrine of equivalents and stated,

> A better solution would be to declare the doctrine of equivalents – a judge made rule in the first place – to have its roots firmly in equity, and to

> acknowledge that when and in what circumstances it applies is a question of equitable law, a question for which judges bear responsibility.

Id. at 593.

Judge Michel, concurring-in-part and dissenting-in-part, believed that "the majority's rule is unfairly harmful, because it deprives patentees of any recourse to the doctrine of equivalents for any added or narrowed limitation, no matter how minor the amendment." *Id.* at 600. Judge Michel further noted that

> today's ruling will be unfairly disruptive of existing commercial relations. Today's ruling offers no "grandfathering" provision for the vast numbers of unexpired patents that contain amended claim limitations, and thus that will become increasingly susceptible to copying under today's new rule. Patent applicants who prosecuted their claims under the rule of the flexible bar will have protection limited now by our new rule of complete estoppel. As today's adoption of the complete bar was utterly unpredictable, these applicants had no way to avoid the harm that now befalls them.

Id. at 618-619.

Judge Linn, concurring-in-part and dissenting-in-part, noted that "the new bright line rule . . . wrongfully sets in place a regime that increases the cost and complexity of patent prosecution to the detriment of individual inventors, start-up companies, and others unable to bear these increased

costs." *Id.* at 620. Additionally, "The new regime . . . gives unscrupulous copyists a free ride on the coattails of legitimate inventors; and changes the rules under which prosecution strategies were formulated for thousands of extant patents no longer subject to correction." *Id.*

Continuing further, Judge Linn noted that

> the majority's new rule will substantially increase the cost of obtaining patent protection, and may in fact become prohibitively high to individual inventors and start-up companies. . . . This will result in protracted prosecution and dramatically increased costs . . . and may have the effect of impeding, not advancing, technological progress, contrary to the purpose of the patent system.

Id. at 624.

Continuing further still, Judge Linn stated that

> a brighter line for determining whether a patentee is estopped from asserting infringement by equivalents, cannot be justification for adopting a rule that so substantially changes the rules of the game and discounts the intrinsic worth in treating more fairly the individual inventor whose patent right is under administrative scrutiny and is subject to the inherent limitations of language.

Id. at 628.

Ultimately, Judge Linn noted that "Although a complete bar would provide bright line enhancement of the notice function of claim, it unfairly subjects almost every patentee to the mercy of verbalism at an early stage of development." *Id.* at 629.

Finally, Judge Newman, concurring-in-part and dissenting-in-part, separately addressed "the retroactive effect" of the majority's new rule, *id.* at 638, and noted that

> As very few patent applications traverse the PTO without amendment or argument, few issued patents will be free of the consequences of these changes in the law, for the majority has declined to act on the warnings against derogation of vested rights and expectancies, and has declined to make this decision applicable only prospectively.

Id.

Addressing a point not addressed by the others, Judge Newman also pointed out that

> The Federal Circuit's *sua sponte* change in this law is a change in industrial policy that requires public discussion in advance of, not after, the law has been changed. This court's initiative flows uncomfortably as a ruling that affects myriad vested rights, on a novel legal theory, without briefing or argument.

Id. at 642.

5. *Petitioner is a "real world" example that the concerns for fairness are not unfounded.* The Federal Circuit's retroactive application of its newly created bright line test to dismiss Creo's action demonstrates that the concerns for fairness expressed by this Court and the dissenting judges of the Federal Circuit are not idle. This case serves as a "real world" example that *Festo's* retroactive adoption of a "complete bar" does indeed have "unintended consequences" and does indeed result in the injustices warned about by the dissenters.

That individual inventors do, in fact, create significant new technologies is demonstrated by the fact that Mr. Gelbart, working alone, pioneered a new and highly successful technology that is still widely used today.

That the holding in *Festo* does, in fact, affect start-up companies is demonstrated by the fact that Mr. Gelbart formed Creo shortly after filing his patent application and built Creo around the technology he pioneered.

That the works of individual inventors do, in fact, have significant public benefit is demonstrated by the fact that Creo now employs thousands of people and supplies needed products to thousands of customers throughout the world.

That the promise of meaningful patent protection does, in fact, play a key role in encouraging innovation is demonstrated by the fact that Mr. Gelbart's patent was important in attracting partners and investors in Creo.

That the costs of patent prosecution are, in fact, of practical concern to individuals and start-up companies is demonstrated by the fact that Mr. Gelbart was compelled to

prosecute his patent application *pro se*. Not only was Mr. Gelbart unable to afford protracted patent prosecution, he could not even afford the assistance of counsel.

That the retroactive application of a bright line test is, in fact, unfair to patent holders who prosecuted their applications under different law is demonstrated by the fact that Creo's patent has now been rendered worthless because Mr. Gelbart, proceeding *pro se*, agreed to a simple recommendation made by the *Patent Examiner* – a United States Government employee who no doubt thought he was *helping* Mr. Gelbart. How or why Mr. Gelbart should have known in 1987 that the Federal Circuit would materially change the law in the year 2000, and should have insisted then that the Examiner clearly state his reasons for suggesting the amendment, have never been addressed.

That would-be copyists do, in fact, exploit minor amendments made in patent claims to compete unfairly is demonstrated by the fact that Dainippon Screen did just that in this case. The District Court below expressly noted that "For purposes of this motion, Screen *concedes* that its products contain a structure equivalent to the curved substrate limitation." (App. 15a). Nevertheless, the "complete bar" adopted long after Mr. Gelbart's patent was prosecuted now leaves Creo without a remedy.

6. *Retroactive application of a bright line rule is particularly unfair here.* The mechanical, retroactive application of the rule adopted in *Festo* is inappropriate and unfair in the case of "unexplained" amendments proposed and made by patent examiners. Because such Examiner's Amendments occur frequently, and appear in the file histories

of countless unexpired patents prosecuted prior to *Warner-Jenkinson* and *Festo*, the issue is of critical importance beyond the confines of this case.

Fundamentally, the issue below was whether Creo should now be irrevocably estopped from relying on the doctrine of equivalents because the *Patent Examiner* (not Mr. Gelbart) proposed an amendment to the claims. Historically, estoppel results from an act of commission or omission by the person to be estopped. Here, Mr. Gelbart did not amend the claims for reasons unknown. He amended them because the Examiner required it. Mr. Gelbart did not choose the particular language ultimately used in the claims. The Examiner did. The basic premise for invoking estoppel here – that Mr. Gelbart should not now be permitted to disavow his prior actions – is flawed. His only "action" was not to argue with, or challenge, the recommendation made by the Examiner.

The fundamental question of whether the presumption established in *Warner-Jenkinson* should even arise when "unexplained amendments" are made by the Patent Examiner rather than applicant was side-stepped by the Federal Circuit below and has never been addressed by this Court. In both *Warner-Jenkinson* and *Festo*, the "unexplained" amendment was made by the applicant, not the Examiner. In each case, only the applicants knew the reasons for their amendments. In each case only the applicants were in a position to explain (if they chose to do so) why the amendments were made. Under such circumstances, the presumption established in *Warner-Jenkinson* makes sense; unless the applicant (the only person in a position to know) explains his reasons for amendment, the "cost" of not doing so is to forsake rights under the doctrine of equivalents.

Here, Mr. Gelbart's reasons for amendment are clear; he agreed to the Examiner's Amendment because he understood his patent application would not otherwise be allowed. What is not explicitly "explained" in the patent file wrapper is why the Examiner wanted this amendment. To hold Mr. Gelbart responsible for the Examiner's failure to explain his actions, and to bar any reliance on the doctrine of equivalents because of that failure on the part of the Examiner, does not flow from this Court's opinion in *Warner-Jenkinson*. This is an entirely new rule and should not now be read into the law absent a clear mandate from this Court.

REASONS FOR GRANTING THE WRIT

1. *Certiorari is needed to ensure consistency in the application of law.* The legal authority for the decision below, namely the Federal Circuit's *en banc* holding in *Festo*, is presently under review by this Court. To the extent this Court materially changes that holding, this case should be remanded for proceedings consistent therewith. To do otherwise subjects Creo, and similarly situated others, to disparate treatment under law.

2. *Certiorari is needed to resolve the conflict between this Court's holding in Warner-Jenkinson and the Federal Circuit's adoption, and retroactive application, of an inflexible, bright line rule.* This Court, as well as dissenting judges of the Federal Circuit, have warned of the inequities that can result when laws are changed retroactively and when reasoned consideration, applied on a case-by-case basis, gives way to blind reliance on mechanical, "bright line" tests.

In *Warner-Jenkinson*, this Court unanimously affirmed that the doctrine of equivalents continues to exist. This Court further emphasized that principles of fairness, and the constitutional purpose behind the patent system, continue to have meaning in enforcing patent rights. The Federal Circuit's *en banc* holding in *Festo*, and its disposition of this case based on that holding, simply cannot be reconciled with *Warner-Jenkinson*.

Under the Federal Circuit's holding in *Festo*, Mr. Gelbart's agreement to an amendment proposed by an official employee of the United States Patent and Trademark Office now serves to completely eviscerate the patent protection Mr. Gelbart thought he obtained. Under the Federal Circuit's newly adopted, but retroactively applied "inflexible" bar, such considerations as (1) the reasons for amendment, (2) whether amendment was required by the prior art, (3) the fact that the amendment was proposed by the Patent Examiner rather than the applicant, (4) the fact that the patent was prosecuted pro se by a foreign applicant who spoke English as a second language, and (5) the fact that the patent was prosecuted long before this Court's holding in *Warner-Jenkinson*, became wholly irrelevant.

In short, whether the results obtained under the Federal Circuit's newly adopted bright line rule are fair and just, no longer matters. Fairness and justice have now given way to expediency and convenience. This represents a radical shift in the law and directly conflicts with this Court's holding in *Warner-Jenkinson*.

Because this case directly raises issues addressed hypothetically in *Festo* – a case now before this Court for review – certiorari should be granted here, as well.

In addition, this case raises issues that, while not directly raised in *Festo*, are nevertheless closely related and critically important to thousands of similarly situated patent owners. Whether the rebuttable presumption established in *Warner-Jenkinson* should apply to "unexplained" amendments made by the Patent Examiner – a common occurrence affecting countless unexpired patents – is but one example.

A grant of certiorari in this case will ensure that the central issue now before this Court in *Festo*, namely how and when the doctrine of equivalents should be applied, is adequately briefed, argued and considered by this Court during its forthcoming review.

CONCLUSION

For the reasons set forth above, the petition should be granted.

Respectfully submitted,

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APPENDIX

APPENDIX A — PER CURIAM OPINION OF THE UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT DATED AND DECIDED MAY 14, 2001 AND FILED MAY 17, 2001

UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

00-1536

CREO PRODUCTS INC.,

Plaintiff-Appellant,

v.

DAINIPPON SCREEN MFG. CO., LTD., D.S. NORTH AMERICA HOLDINGS, INC., AND DS AMERICA INC.,

Defendants-Appellees.

DECIDED: May 14, 2001

Before LOURIE, BRYSON, and LINN, *Circuit Judges*.

PER CURIAM.

Creo Products Inc. brought suit against Dainippon Screen Manufacturing Co., Ltd., D.S. North America Holdings, Inc., and D.S. America Inc. (collectively "Dainippon") in the United States District Court for the Western District of Washington. Creo alleged infringement of Creo's U.S. Patent No. 4,743,091, breach of contract, misappropriation of trade secrets, and other causes of action not at issue in this appeal.

Appendix A

Creo appeals the district court's grant of Dainippon's motion for summary judgment on the patent and contract claims, the court's award of attorney fees to Dainippon for its defense of Creo's literal infringement and trade secret claims, and the court's exclusion of certain expert testimony. We agree with the district court's analysis on each of the disputed issues, and we therefore *affirm* the judgment of the district court in all respects.

I

Creo argues that the district court erred when it granted summary judgment to Dainippon on the contract claim. This issue turns on the enforceability and scope of two agreements between Creo and Dainippon. The first is a December 1990 letter agreement, and the second is a formal contract executed in October 1991. Both agreements include terms restricting Dainippon's use and disclosure of certain technologies. The 1990 restrictions are more stringent, and Creo asserts that Dainippon violated those restrictions and thus breached the 1990 agreement. Creo does not assert that Dainippon violated the less stringent restrictions of the 1991 agreement. The 1990 agreement also contains a term stating that it will be effective as of the date that it is fully executed by both parties; although Dainippon executed the 1990 agreement, Creo did not.

Dainippon argues that the 1990 agreement is not enforceable because it was not executed by Creo, and Dainippon urges us to affirm on that basis. The district court declined to base its summary judgment ruling on the issue of enforceability, concluding that there are genuine issues

of material fact with regard to the enforceability of the 1990 agreement. We agree. Both California and Washington state law have long recognized that failure to formally execute a contract, even when expressly required, may be excused in some cases based on reliance or partial performance. *See, e.g., Vitagraph, Inc. v. Liberty Theatres Co. of Cal.*, 242 P. 709, 711 (Cal. 1925); *Sparks v. Mauk*, 148 P. 926, 926 (Cal. 1915); *Pennington & Co. v. Hedlund Box & Shingle Co.*, 199 P. 235, 237 (Wash. 1921). We agree with the district court that Creo has put forth sufficient evidence on the issue of the enforceability of the 1990 agreement that it would be improper to grant summary judgment to Dainippon on that ground.

In analyzing the specific contract claims pressed by Creo, the district court concluded that those claims all involved technologies encompassed by the subject matter of the 1991 agreement. Moreover, the court concluded that the integration clause in section 9.10 of the 1991 agreement expressly superseded all prior agreements with respect to any subject matter that was within the scope of the 1991 agreement. Accordingly, the court ruled that the 1990 agreement was inapplicable to the technologies that were the subject of Creo's contract claims.

We agree with the district court's analysis and affirm on that ground. Contrary to Creo's contention, the relevant question is not whether the two agreements are coextensive — they clearly are not — but rather whether the technologies that Creo asserts Dainippon improperly used or disclosed were within the subject matter of the 1991 agreement. Dainippon introduced evidence, some of which consisted of

Creo's own statements, that the technologies at issue were all incorporated in the devices developed and sold by Creo to Dainippon under the 1991 contract, and Creo has not rebutted that evidence.

II

Creo also argues on appeal that the district court erred when it concluded that prosecution history estoppel barred application of the doctrine of equivalents to the asserted patent claim and grated [sic] summary judgment on that basis. We agree with Dainippon that our decisions in *Sextant Avionique, S.A. v. Analog Devices, Inc.*, 172 F.3d 817, 49 USPQ2d 1865 (Fed. Cir. 1999), and *Festo Corp. v. Shoketzu Kinsoku Kogyo Kabushiki Co.*, 234 F.3d 558, 56 USPQ2d 1865 (Fed. Cir. 2000), preclude application of the doctrine of equivalents under the facts of this case, and we therefore affirm that aspect of the district court's judgment.

III

Creo further argues that the district court erred when it granted attorney fees to Dainippon under 35 U.S.C. § 285, for its defense of the claim of literal patent infringement, and under the Uniform Trade Secret Act, adopted in both California and Washington, Cal. Civ. Code § 3426.4; Wash. Rev. Code § 19.108.040, for its defense of the claim of trade secret misappropriation. Creo's argument is that the district court and Dainippon should have understood that Creo was not in fact asserting literal infringement and trade secret claims, notwithstanding that its complaint raised such claims and Creo never waived them. We have examined the record

of the proceedings before the district court and, like the district court, we disagree with Creo's contention that it made clear in the course of the proceedings that it was not asserting literal infringement of its patent rights or trade secret misappropriation. We therefore find that the district court did not abuse its discretion in entering an attorney fee award.

IV

Finally, Creo urges us to conclude that the district court erred when it excluded certain expert testimony with respect to damages. In light of our affirmance of the district court's grant of summary judgment to Dainippon on the infringement and contract claims, that issue is moot.

APPENDIX B — ORDER OF THE UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT OF WASHINGTON AT SEATTLE GRANTING DEFENDANT'S MOTION FOR SUMMARY JUDGMENT DATED AND ENTERED MARCH 24, 2000

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

NO. C98-1801R

CREO PRODUCTS, INC., a Canadian corporation,

Plaintiff,

v.

DAINIPPON SCREEN MFG. CO., LTD.,
a Japanese corporation,

Defendant.

DAINIPPON SCREEN MFG. CO., LTD.,
a Japanese corporation,

Counterclaimant,

v.

CREO PRODUCTS, INC., a Canadian corporation,

Counterdefendant.

Appendix B

ORDER GRANTING DEFENDANT'S MOTIONS FOR SUMMARY JUDGMENT

THIS MATTER comes before the court upon two motions for summary judgment: (1) defendant's motion for summary judgment of non-infringement; and (2) defendant's motion of summary judgment on trade secret claims. Having reviewed all papers filed in support of and in opposition to both motions, the court rules as follows:

I. BACKGROUND

Plaintiff Creo Products, Inc. ("Creo") and defendant Dainippon Screen Manufacturing Co., Ltd. ("Screen") are direct competitors in the market for digital prepress machinery used in the graphics arts industry. In its Complaint, Creo asserts claims for patent infringement, misappropriation of trade secrets, unfair competition, breach of contract, and conversion.[1] Creo's patent claims are all related to a single patent, U.S. Patent No. 4,743,091 (" '091 patent"); the contention that Screen obtained trade secret information from Creo is related to a joint development project between the two companies in the early 1990s.

Screen here moves for summary judgment on two issues: (1) non-infringement of Creo's patent; and (2) all claims related to the alleged misappropriation, misuse, and improper disclosure of Creo's trade secrets.

---

1. Screen also asserts counterclaims that are not at issue here.

Appendix B

II. ANALYSIS

Summary judgment is appropriate when "the pleadings, depositions, answers to interrogatories, and admissions on file, together with the affidavits, if any, show that there is no genuine issue as to any material fact and that the moving party is entitled to judgment as a matter of law." Fed. R. Civ. P. 56(c); *Celotex Corp. v. Catrett*, 477 U.S. 317, 322 (1986). The moving party is entitled to judgment as a matter of law when the nonmoving party has failed to "make a sufficient showing on an essential element of her case with respect to which she has the burden of proof." *Celotex*, 477 U.S. at 323. When the moving party has met its burden of production, the nonmoving party may not rely on mere denials or allegations in its pleadings, but must "designate 'specific facts showing that there is a genuine issue for trial.' " *Id.* at 324 (quoting Fed. R. Civ. P. 56(e)).

Screen has succeeded in showing that there is no genuine issue of material fact with respect to Creo's claims regarding patent infringement and trade secrets; Creo has failed to designate specific facts creating issues for trial. Screen is, therefore, entitled to summary judgment on both its motions.

A. *Patent Non-Infringement*

The sole patent at issue, the '091 patent, is directed to an optical recording system employing "a two-dimensional array of laser diodes mounted on a curved substrate" (hereinafter "curved substrate limitation" or "curved substrate amendment"). ('091 patent, Claim 1, Col. 2, lns. 51-52.) The '091 patent contains only one independent claim,

which includes this limitation. Because the accused Screen products all use laser diodes mounted on non-curved, flat substrates, Screen contends that it has not literally infringed the '091 patent. Furthermore, it argues that because the curved substrate limitation was added by amendment during the prosecution of the patent, and because the prosecution history is silent as to the reason for this amendment, the rule of prosecution history estoppel prevents Creo from arguing that the curved substrate limitation is met by the doctrine of equivalents.

1. *The Asserted Claim*

The asserted '091 patent has only one independent claim, Claim 1, which provides as follows:

> 1. An optical system for recording information on the surface of a light sensitive medium comprising:
>
> a two-dimen[s]ional array of laser diodes *mounted on a curved substrate* and arranged in such a way to converge laser beams of said laser diodes onto an intermediate lens, each laser diode having a separate collimating lens in optical alignment therewith, said collimating lens collecting most of the emitted light from said laser diode;
>
> a lens for imaging said array of laser diodes onto said light sensitive surface;

> one or more intermediate lenses placed between said imaging lens and said array of laser diodes in order to reduce the image size, and a means for adjusting the position of each laser diode relative to said collimating lens to deliver a substantial amount of the emitted light from each laser diode to the surface of said medium.

('091 patent, Claim 1, Col. 2, lns. 49-66 (emphasis added).)

The drawings in the '091 patent illustrate a preferred embodiment of the invention, which includes laser diodes Fig. 1, No. 2; Fig. 3, No. 2) "mounted on a curved substrate":

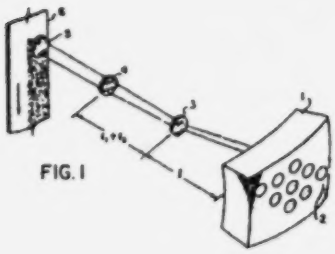

FIG. 1

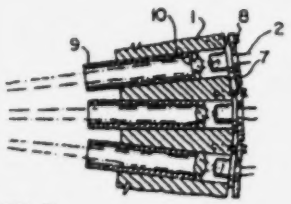

FIG. 3

('091 patent, illustration page.)

2. *Literal Infringement*

A literal infringement analysis entails two steps: (1) determining the meaning and scope of the patent claims asserted to be infringed; and (2) comparing the properly construed claims to the device accused of infringing. *See Markman v. Westview Instruments, Inc.*, 52 F.3d 967, 976 (Fed. Cir. 1995) (in banc), *aff'd*, 517 U.S. 370 (1996).

The first step is a question of law, while the second step is a question of fact. *See id.* at 979. Nevertheless, where the composition of the allegedly infringing product is undisputed, as here, literal infringement collapses into claim construction, i.e., into a matter of law amenable to summary judgment. *See Desper Products, Inc. v. QSound Labs, Inc.*, 157 F.3d 1325, 1332-33 (Fed. Cir. 1998).

To prove that Screen's products literally infringe the '091 patent, Creo must prove that Screen's accused devices "contain[ ] every limitation in the asserted claims. If even one limitation is missing or not met as claimed, there is no literal infringement." *Mas-Hamilton Group v. LaGard, Inc.*, 156 F.3d 1206, 1211 (Fed. Cir. 1998) (citation omitted). When construing a claim, the court looks first to the intrinsic evidence of the record, i.e., the patent claims, the specification, and the prosecution history. *Vitronics Corp. v. Conceptronic, Inc.*, 90 F.3d 1576, 1582 (Fed. Cir. 1996). Extrinsic evidence, such as expert and inventor testimony, dictionaries, and learned treatises, may also be used to aid understanding but may not vary or contradict the terms of the claims. *Id.* at 1582; *see Markman*, 52 F.3d at 980-91.

Screen states that its accused products contain laser diodes mounted on flat, not curved, substrates. (*See* Hirosawa Decl. ¶¶ 3-6, Exs. A, B.) It thus argues that its products do not literally infringe the '091 patent. Screen is correct.

"Absent a special and particular definition created by the patent applicant, terms in a claim are to be given their ordinary and accustomed meaning." *Renishaw PLC v. Marposs Societá per Azioni*, 158 F.3d 1243, 1249 (Fed. Cir.

1998). Drawings may be used in the same manner as a written specification to provide evidence relevant to claim interpretation. *See Autogiro Co. of America v. United States*, 384 F.2d 391, 398 (Ct. Cl. 1967) ("In those instances where a visual representation can flesh out words, drawings may be used in the same manner and with the same limitations as the specification.").

It is undisputed that the claim terms "mounted on a curved substrate" are nowhere defined in the claims, specification, or prosecution history. The ordinary and accustomed meanings of the relevant terms, therefore, control. "Mounted on" means "attach[ed] or fix[ed] on." Random House Unabridged Dictionary 1255 (2nd ed. 1993). "Curved" refers to having the characteristic of a continuously bending line without angles. *Id.* at 493. "Substrate" is synonymous with "substratum," which means "something that underlies or serves as a basis or foundation." *Id.* at 1897. These definitions are consistent with and are illustrated by the drawings that appear in the specification. (*See* '091 patent, illustration page (Figs. 1, 3.) There is no indication that, consistent with the claims and the specification, the laser diodes could be mounted anywhere except on the substrate; there is no indication that a flat substrate could be used.

Nevertheless, Creo argues that Screen's use of a curved, parabolic mirror placed *across from* an array of laser diodes (which are, admittedly, mounted on a *flat* substrate) constitutes *literal* infringement of the '091 patent because Creo's structure and Screen's structure are "optically equivalent." (*See* Pl.'s Mem. Opp., at 4.) Such an assertion

is contrary to the claim language, basic principles of claim construction, and the English language.

First, "optical equivalence" is relevant only if the doctrine of equivalents applies, not where the question is one of *literal* infringement. *Cf. K-2 Corp. v. Salomon S.A.*, 191 F.3d 1356, 1366 (Fed. Cir. 1999) ("The doctrine of equivalents allows infringement to be found in some cases where the elements of the accused device are substantially equivalent to the corresponding elements of the asserted claim."). Second, Creo admits explicitly and implicitly that Screen's products do *not* employ laser diodes "mounted on a curved substrate" and, therefore, do not literally infringe the '091 patent. Creo's president, the '091 patent's inventor, admitted this in an attachment to the Complaint. (*See* Morando Decl., Ex. 3 ("We use a curved mounting surface, they use a flat surface . . . ."); *see also id.*, Ex. 1 at 147:20 to 149-17) (Gelbart Dep.).). Creo's sophistry is also apparent in statements made in the very papers filed in support of Creo's position; such statements make any ordinary usage of the terms in question a nullity. (*See* Pl.'s Mem. Opp., at 4 ("The only difference between the optical system used in the Dainippon Screen imaging head and that shown and described in Creo's '091 patent is that *the laser diodes in the Dainippon Screen imaging head are not physically located on the curved substrate* . . . .") (emphasis added); Gross Decl., at 4 ("The individual laser diodes and their subsequent collimating lenses form the two-dimensional array *that is physically carried on a substantially flat structure* [read: substrate]. . . .") (emphasis added).) Third, Creo's implied definitions for "mounted on," "curved," and "substrate" make sense only through the looking glass. For

present purposes, however, "mounted on" does not mean "'arranged across from"; "curved" does not mean "flat"; and "substrate" does not mean a reflective mirror that is not serving as a basis or a foundation.

Screen's accused products do not contain a two-dimensional array of laser diodes "mounted on a curved substrate"' as required to establish literal infringement. Screen is, therefore, entitled to summary judgment on this issue.

3. *The Doctrine of Equivalents and Prosecution History Estoppel*

Under the doctrine of equivalents, "a product or process that does not literally infringe upon the express terms of a patent claim may nonetheless be found to infringe if there is 'equivalence' between the elements of the accused product or process and the claimed elements of the patented invention." *Warner-Jenkinson Co. v. Hilton Davis Chemical Co.*, 520 U.S. 17, 21 (1997). Each element contained in a patent is material to defining the scope of the invention, and thus the doctrine of equivalents is applied to individual elements of the claim, not to the invention as a whole. *Id.* at 29.

Creo argues that the doctrine of equivalents applies here because Screen's products contain a structure that is optically equivalent to the curved substrate limitation: a two-dimensional array of laser diodes mounted on a flat substrate positioned across from a curved mirror that reflects the laser beams. At first glance, this appears to be a reasonable

argument. Creo describes at great length how Screen's products contain a structure that allegedly functions in the same way as the curved substrate limitation, thereby violating the doctrine of equivalents even while not literally infringing the '091 patent.

Creo fails, however, to respond adequately to the main point of Creo's [sic] motion, i.e., the doctrine of equivalents does not, as a matter of law, apply here. For purposes of this motion, Screen *concedes* that its products contain a structure equivalent to the curved substrate limitation. Screen argues that the court should not employ the doctrine of equivalents at all because Creo is barred from arguing such equivalency by prosecution history estoppel.

The Federal Circuit, sitting in banc, described prosecution history estoppel succinctly:

> Prosecution history estoppel provides a legal limitation on the application of the doctrine of equivalents by excluding from the range of equivalents subject matter surrendered during prosecution of the application for the patent. The estoppel may arise from matter surrendered as a result of amendments to overcome patentability rejections, or as a result of argument to secure allowance of a claim. Prosecution history estoppel is a legal question . . . .

Cybor Corp. v. FAS Techs., Inc., 138 F.3d 1448, 1460 (Fed. Cir. 1998) (in banc) (citations omitted). "[I]f prosecution history estoppel would apply . . . partial or complete

judgment should be rendered by the court, as there would be no further material issue for the jury to resolve." *Warner-Jenkinson Co.*, 520 U.S. at 39 n.8; *see Bai v. L & L Wings, Inc.*, 160 F.3d 1350, 1354 (Fed. Cir. 1998).

The reason for a patent amendment determines whether prosecution history estoppel limits application of the doctrine of equivalents:

> If the claims were amended for a reason "related to patentability," prosecution history estoppel applies. On the other hand, if the claims were amended for a reason that was not "related to patentability," prosecution history estoppel does not apply absent a "clear and unmistakable surrender" of certain subject matter. Finally, *if the patent prosecution record does not disclose the reason for an amendment, a court must presume that the amendment was made for purposes of patentability and that prosecution history estoppel applies, and provide the patentee with an opportunity to rebut that presumption.*

Sextant Avionique, S.A. v. Analog Devices, Inc., 172 F.3d 817, 828 (Fed. Cir. 1999) (emphasis added and citations omitted) (referring to test set forth in *Warner-Jenkinson Co.*); *see Warner Jenkinson Co.*, 520 U.S. at 33. This last presumption, often referred to as the "*Warner-Jenkinson* presumption," is warranted due to the public notice function of the Patent Act, i.e., future inventors should be able to assess with reasonable certainty both the literal scope of the patent claims and the effective extension of the claim scope

under the doctrine of equivalents. *See Sextant Avionique*, 172 F.3d at 831 (citing *Warner-Jenkinson Co.*). Through operation of the *Warner-Jenkinson* presumption, the burden is on the patentee to clarify his reasons. *See id.* The public, and future inventors, should not suffer from an uncertain range of equivalency in a claim due to the patentee's failure to clarify the reasons for an amendment. *See id.* at 831-32.

Screen argues that Creo has failed to meet its burden to establish that the reason for the curved substrate amendment was unrelated to patentability and, since it has failed to do so, it is presumed as a matter of law that prosecution history estoppel applies such that any equivalence claim is barred. Screen is correct.

The patent prosecution record for the '091 patent does not explicitly disclose the reason why Claim 1 was amended to include the curved substrate limitation. As originally filed in October 1986, Mr. Gelbart's Claim 1 did not contain this limitation. (*See* Morando Decl., Ex. 2, at CR2867.) On September 2, 1987, the Patent Office Examiner, in his only substantive Office Action, mailed Mr. Gelbart a notice rejecting all four pending claims as indefinite under 35 U.S.C. § 112, paragraph 2, and Claim 1 as obvious in light of the cited publications under 35 U.S.C. § 103. (*See id.* at 2878-2882 (Sept. 2, 1987 Office Action).) The Examiner proposed several claim refinements for overcoming the indefiniteness rejection. (*Id.* at CR2879-2880.) He did not suggest how to overcome obviousness at that time. (*See id.* at CR2881-2882.)

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On September 9, 1987, Mr. Gelbart and the Examiner participated in a telephonic interview. The Examiner's summary of this interview provided only that Mr. Gelbart "was trying to bring out the differences between the invention and the relevant art." (*See id.* at CR2895 ("Examiner Interview Summary Record").) There was no indication that the Examiner agreed with this assessment.

On November 26, 1987, Mr. Gelbart filed a Response to the Office Action, and amended the pending claims to include all of the Examiner's proposed amendments for overcoming indefiniteness. *See id.* (CR2886-2890.) The amendments again did not include the curved substrate limitation. (*See id.* at CR2887.) In deposition testimony, Mr. Gelbart explained that these November 1987 amendments addressed only the indefiniteness of the claims. (*See id.*, Ex. 1 at 69:13 to 69-22 (Gelbart Dep.).) Mr. Gelbart addressed the obviousness rejection solely by arguing that his invention was in fact distinguishable from the cited art. (*Id.*, Ex. 2 at CR2888-2889.)

On January 29, 1988, in a second telephonic interview, the Examiner proposed, and Mr. Gelbart accepted and authorized, additional amendments to Claim 1, including the limitation regarding "a two-dimensional array of laser diodes mounted on a curved substrate."[2] (*Id.* at CR2894.)

---

2. Mr. Gelbart accepted the following amendments to Claim 1 of the '091 patent (where additions are underscored and brackets indicate deletions):

1. An optical system for *recording* [placing]

(Cont'd)

Appendix B

On February 1, 1988, the PTO Examiner mailed the "Notice of Allowability." (*Id.* at CR2892.)

In summary, the record fails to disclose an explicit reason for why the curved substrate limitation was added to the '091 patent. Nevertheless, the court finds that either through examination of the record in its proper context or through the application of the *Warner-Jenkinson* presumption, the only reasonable inference that may be drawn from the prosecution record and subsequent inventor testimony is that the curved substrate amendment was made for reasons of patentability.

(Cont'd)

> information on the surface of a light sensitive medium comprising:
>
> > *a two-dimensional* [an] array of laser diodes *mounted on a curved substrate and arranged in such a way to converge laser beams of said laser diodes onto an intermediate lens*, each laser diode having a separate collimating lens *in optical alignment therewith*, said *collimating* lens collecting most of the emitted light [of] *from* said laser diode;
> >
> > a lens for imaging said array of laser diodes onto *said* [a] light sensitive surface . . . .

(*Compare* '091 patent, Claim 1 *and* Morando Decl., Ex. 2 at CR2893-2894 (Examiner Interview Summary Record and Examiner's Amendment) *with* Morando Decl., Ex. 2 at CR2887 (November 1987 Response to Rejection).) In setting forth the new language, the Examiner chose to delete lines 1 to 5 of Claim 1 and replace it his [sic] text, presumably because doing so was clearer. (*See* Morando Decl., Ex. 2 at 2894.)

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First, the nature of the amendment is substantial in subject matter and clearly not based upon considerations of linguistic clarity alone. The Examiner's amendment deleted the first five lines of the original claim language and replaced it with the present language. (*See* Morando Decl., Ex. 2 at CR2894); *supra* note 2 (highlighting changes). As Screen notes, such significant deletions and additions are not characteristic of refinements made to overcome indefiniteness. (*See, e.g.*, Morando Decl., Ex. 2 at 2879 (Sept. 2, 1987 Office Action) ("Page 3, line 6, 'length' should read '–lengths–' ").)

Second, the timing of when [sic] the amendment strongly suggests that it was made for reasons of patentability. The '091 patent was originally rejected due to indefiniteness and obviousness in September 1987; the indefiniteness concerns were addressed in November 1987 by the integration of *all* of the suggested changes regarding indefiniteness; the most substantial amendment was made in January 1987; days later, the patent application was approved. Third, Mr. Gelbart himself acknowledged that when he accepted and authorized the curved substrate amendment, he did so with full knowledge that it would limit the scope of his claims.[3]

---

3. Mr. Gelbart's deposition testimony is unequivocal:

> Q: When you mentioned a moment ago that you had a recollection of thinking that the word curved — I think you said was sufficient, or something like that?
>
> A: Broad enough, yes.
>
> Q: Broad enough. You recognized that adding the word curved had an effect on the scope of the patent.

(Cont'd)

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The most charitable reading of the record would at best support the proposition that there was no reason disclosed for adding the curved substrate limitation. The court would then apply the *Warner-Jenkinson* presumption, i.e., it would presume that the amendment was made for purposes of patentability and that prosecution history estoppel applies unless Creo can rebut that presumption. *See Sextant Avionique*, 172 F.3d at 828; *see also id.* at 829-32 (holding that where prior art did not necessitate claim amendment and where other reasons for amendment were not stated, *Warner-Jenkinson* presumption applied). Creo has failed to do so. Creo argues that the curved substrate limitation was added for reasons other than patentability, namely to address indefiniteness concerns under 35 U.S.C. § 112 rather than to address obviousness concerns related to prior art under 35 U.S.C. § 103. The court notes that the law is unsettled as to whether amendments made to avoid indefiniteness mean that such amendments are unrelated to patentability. *See Sextant Avionique*, 172 F.3d at 828-29 (discussing reasons in favor and in opposition to this position, and noting "there are arguments on both sides of this issue"); *cf. Loral Fairchild Corp. v. Sony Corp.*, 181 F.3d 1313, 1326

(Cont'd)

Correct?

A: Yes.

Q: But you just believed it was an acceptable limitation?

A: Correct.

(Morando Decl., Ex. A at 97 (Gelbart Dep.).)

(Fed. Cir. 1999) ("An applicant may not avoid the conclusion that an amendment was made in response to prior art by discussing the amendment under the rubric of clarification due to a § 112 indefiniteness rejection. If that were permitted, amendments made in response to [an obviousness] rejection would tend to be disguised as responding to the § 112 rejection in an attempt to avoid the creation of prosecution history estoppel." (citation omitted)). Nevertheless, the court need not resolve this issue because it is not necessary to resolve this case. The strained inferences Creo cites as support for its contention lack any support in the record.

First, Creo suggests that a blank space after the preprinted words "Identification of prior art discussed" on the Examiner's Summary Interview Record (Morando Decl., Ex. B at CR2893) means that *only* indefiniteness concerns were discussed. That is an unwarranted presumption. The space after "Identification of prior art discussed" does not read "none"; there is simply an empty space. The preprinted form contains only six substantive handwritten words, indicating that the inventor and the Examiner agreed to Claims "1 and 2" with the instruction to "See Examiner's Amendment." (*See id.*) There is no suggestion of the reason for the Examiner's Amendment.

Second, Creo argues that because the Examiner's Amendment contains the introductory phrase, "The following corrections have been made," (*id.* at CR2894), it is clear that the Examiner meant to "correct" issues of indefiniteness, not "amend" regarding issues of obviousness. This is a presumption about the meaning of the word "correction" that is unsupported by the law or semantics. The "corrections"

could have been made in light of concerns regarding obviousness, or indefiniteness, or both.

Third, Creo argues that the February 1988 "Notice of Allowability" was intended to correct ministerially only the amendments made in November 1987. As support, Creo points out that on the February 1988 form, after the preprinted words "This communication is responsive to," are handwritten words reading "Applicant's Amendment dated 11-30-87." (*Id.* at CR2892). This is an unpersuasive presumption in light of the prosecution history and the form itself. In January 1988, months after the November 1987 amendments, the Examiner proposed and Mr. Gelbart approved the most substantial amendments to the asserted claim. Days later, the Notice of Allowance issued. This suggests that the allowance issued as the result of the more substantive changes made in January 1988. Furthermore, the Notice of Allowance refers directly to the January 1988 Examiner's Amendment. (*Id.*)

Fourth, Creo argues that the Examiner must have made the amendment "to provide a structural interrelationship among the various elements" unrelated to patentability. (Pl.'s Mem. Opp. at 13.) It does not support this contention in any way. In contrast, Mr. Gelbart acknowledged that when he accepted the amendment he knew that it would limit the scope of his claim. (Morando Decl., Ex. 1 at 97 (Gelbart Dep.).)

The court finds that the only reasonable conclusion that may be drawn from the prosecution record is that the curved substrate amendment was made for reasons of patentability and that prosecution history estoppel, therefore, applies.

In any event, the court finds that Creo has failed to rebut the *Warner-Jenkinson* presumption that the amendment was made for reasons of patentability and that prosecution history estoppel, therefore, applies. Accordingly, as a matter of law, Screen's products, which contain laser diodes mounted on a flat substrate, do not infringe the '091 patent.

B. *Trade Secrets*

Screen seeks the entry of summary judgment in its favor on all claims asserted by Creo to the extent that they are based on allegations of misappropriation, misuse, or improper disclosure by Screen of Creo's "trade secrets." Summary judgment on these claims is clearly warranted.

After Creo refused Screen's request to identify with particularity the allegedly misappropriated trade secrets, this court, on August 13, 1999, ordered Creo to do so. *See* Minute Order dated Aug. 13, 1999. After Creo then submitted a wholly inadequate response to that directive, the court again, on October 19, 1999, ordered Creo to identify with particularity the alleged "trade secrets." *See* Minute Order dated Oct. 19, 1999. On December 1, 1999, Creo finally produced a "Particularized Statement," in which it set forth nine categories of allegedly misappropriated trade secrets.

Screen argues that each of the nine categories of alleged trade secrets or proprietary information identified in the Particularized Statement either: "(1) has never been used by Screen in any of the products at issue in this action; and/or (2) was already known to, or readily ascertainable by, others who could obtain economic value from its disclosure or use

(and therefore was not a trade secret) well before Creo contends it disclosed any information to Screen."[4] (Def.'s Reply Supp. Mot. Summ. J. Trade Secret Claims, at 1.) Screen supports its argument by citing the law regarding trade secrets and by examining in detail each of the nine categories of alleged trade secrets contained in the Particularized Statement.

In response, Creo does not even attempt to dispute these points: it cites no legal authorities and offers no evidence to contradict Screen's showing that none of the categories are, in fact, trade secrets and that any claims dependent upon such assertions should be dismissed. Instead Creo argues a completely different issue: that Screen breached an alleged contract between Creo and Screen in the form of an unexecuted letter dated December 3, 1990.

The court finds that summary judgment on trade secrets is properly granted in favor of Screen in the manner described in Screen's reply brief. (*See* Def.'s Reply Supp. Mot. Summ. J. Trade Secret Claims, at 2, 7-8.) The court, therefore, orders as follows:

---

4. Screen also notes that Creo's category 6 again provides no more than a general reference to otherwise unidentified drawings and documents. (Def.'s Mot. Summ. J. Trade Secret Claims, at 6.) The court finds that Creo's submission of this wholly inadequate description, (Morando Decl. Supp. Summ. J. Trade Secret Claims, Ex. K, at 10 (Particularized Statement), clearly contravenes the court's order of October 19, 1999. The court, therefore, as promised, precludes Creo from basing any of its claims on the information inadequately identified in category 6. *See* Minute Order dated Oct. 19, 1999.

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1. The court grants summary judgment in favor of Screen dismissing Creo's trade secret misappropriation and unfair competition claims (Counts V and VII);

2. The court grants summary judgment in favor of Screen dismissing Creo's claims for breach of contract (Counts II, III, and IV) and conversion (Count VI) to the extent those claims are based on allegations that Screen misappropriated Creo "trade secrets";

3. The court limits Creo's breach of contract and conversion claims to the alleged proprietary information identified in categories 1, 2, 3, and 8 of Creo's Particularized Statement, and precludes Creo from basing any claims on categories 4, 5, 6, 7, and 9.

III. CONCLUSION

The court GRANTS defendant's motion for summary judgment of patent noninfringement. It also GRANTS defendant's motion for summary judgment regarding trade secrets in the manner discussed above.

DATED at Seattle, Washington this 24th day of March, 2000.

s/ Barbara J. Rothstein
BARBARA JACOBS ROTHSTEIN
UNITED STATES DISTRICT JUDGE

APPENDIX C — THE 4,743,091 PATENT

[Omitted here but submitted separately as Lodging]

FILED
SEP 17 2001
CLERK

No. 01-269

IN THE

Supreme Court of the United States

CREO PRODUCTS INC.,

Petitioner,

v.

DAINIPPON SCREEN MFG. CO., LTD., D.S. NORTH AMERICA HOLDINGS, INC., and DS AMERICA, INC.,

Respondents.

ON PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

BRIEF IN OPPOSITION FOR RESPONDENTS

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QUESTIONS PRESENTED

1. Whether Petitioner should be allowed to "piggyback" on this Court's grant of certiorari in *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co., Ltd.*, 234 F.3d 558 (Fed. Cir 2000), even though the District Court's Order granting summary judgment of noninfringement challenged on appeal was issued eight months before *Festo*, was properly based on a straightforward application of the presumption established in this Court's unanimous decision in *Warner-Jenkinson Co. v. Hilton Davis Chemical Co.*, 520 U.S. 17 (1997), and does not involve any of the issues presented for review by this Court in *Festo*?

2. Whether Petitioner should be allowed to argue that so-called special "considerations of fairness" should be given to *pro se* patent applicants when Petitioner failed to raise the argument below and when doing so would fly in the face of the notice function of patent claims reaffirmed by this Court in *Warner-Jenkinson*?

CORPORATE DISCLOSURE STATEMENT

All parent corporations and publicly held companies that own 10 percent or more of the stock of Respondents are: Dainippon Screen Manufacturing Co., Ltd., D.S. North America Holdings, Inc., and DS America Inc.

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STATEMENT OF THE CASE

Petitioner Creo Products, Inc. ("Creo") and Respondent Dainippon Screen Manufacturing Co., Ltd. ("Screen")[1] are competitors in the market for digital prepress equipment used in the graphics art industry. While Screen and Creo once enjoyed a cordial business relationship, that changed in 1998 when Creo learned that Screen was going to directly compete with Creo in a new market utilizing the latest, high end thermal "computer-to-plate" technology. When Creo was unable to persuade Screen to abandon its plans to compete in this new market, Creo filed this action asserting multiple claims against Screen concerning technology Screen had used since the early 1990's, including a claim for infringement of U.S. Patent No. 4,743,091 (the " '091 patent"). The District Court resolved each of these claims in favor of Screen on summary judgment, awarded Screen attorney's fees,[2] and found that Creo's claim of infringement

1. In addition to Screen, two other entities, D.S. North America Holdings, Inc. and DS America Inc., are listed as "Respondents" in the Petition. The claims against those entities were dismissed for lack of personal jurisdiction (Fed. Cir. Jt. App. at A0362-74), and Creo did not challenge that ruling on appeal. Thus, Screen is the only Respondent directly affected by this appeal.

2. The District Court awarded Screen attorney's fees in connection with Creo's trade secret and literal infringement claims, finding that: (1) fees should be awarded based on Creo's pursuit of a claim for trade secret misappropriation that was "entirely specious" and asserted in "bad faith"; and (2) fees should be awarded under 35 U.S.C. § 285 based on Creo's pursuit of a claim for literal infringement that was "frivolous and wholly without merit." (Fed. Cir. Jt. App. at A0059, A0061.) The Federal Circuit affirmed. (Pet., App. A at 4a – 5a.) Creo now concedes in its Petition that Screen's products contain differences that are "sufficient to avoid

(Cont'd)

under the doctrine of equivalents "bordered on the frivolous." (Fed. Cir. Jt. App. at A0062.)

The relevant facts and procedural history relating to Creo's claim for infringement under the doctrine of equivalents — the only claim at issue in the Petition — are set forth below.

A. The Prosecution History Of The '091 Patent

The '091 patent has only one independent claim – claim 1. Each claim in the '091 patent includes an express limitation requiring that the system include a two-dimensional array of laser diodes "**mounted on a curved substrate**." As summarized in the District Court's Order granting summary judgment (Pet., App. B), this limitation did not appear in the original claims of the application, but was added – without any explanation in the file history – after a telephone interview in which the Examiner proposed, and the applicant (Mr. Gelbart) accepted and authorized, the additional amendment. (*Id.* at 17a - 19a.) Mr. Gelbart understood that adding the word "curved" to claim 1 limited the scope of his patent.[3]

(Cont'd)
the literal language of Creo's patent" (Pet. at 4), despite forcing Screen to incur substantial fees and costs in defending against this claim.

3. Mr. Gelbart testified:

> Q: You recognized that adding the word curved had an effect on the scope of the patent. Correct?
>
> A: Yes.

(Cont'd)

B. The District Court's Summary Judgment Ruling

Screen sought summary judgment of noninfringement below. With respect to literal infringement, Screen presented uncontested evidence that its accused products mounted the array on a **flat** substrate, not a **curved** substrate. With respect to infringement under the doctrine of equivalents, Screen relied upon the presumption established by this Court in *Warner-Jenkinson Co. v. Hilton Davis Chemical Co.*, 520 U.S. 17 (1997), in which the Court held that where no explanation for an amendment is established, it must be presumed that there was a substantial reason related to patentability for including the limitation, and no range of equivalents is available for the claim element as amended. *Id.* at 33-34. Screen did not contest, for the purposes of its summary judgment motion only, the factually intensive question of the equivalency of its accused products. (Pet., App. B at 15a, 17a.)

In response to Screen's summary judgment motion, Creo did not raise before the District Court the so-called "considerations of fairness" upon which its Petition is largely based. For example, Creo did not argue that the *Warner-Jenkinson* presumption should not apply because patent counsel did not represent Mr. Gelbart, or because the Examiner, rather than the applicant, proposed the amended language, as Creo now contends. Rather, Creo attempted to rebut the *Warner-Jenkinson* presumption by arguing that "[t]he record is *not* silent or ambiguous as to the reasons for

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(Cont'd)

Q: But you believed it was an acceptable limitation?

A. Correct.

Fed. Cir. Jt. App. at A1104.

the Examiner's Amendment of January 29, 1988." (Fed. Cir. Jt. App. at A1458 (emphasis added).) Creo contended that the Examiner's Amendment was "clearly made for the purposes of avoiding ambiguity and indefiniteness," and not for reasons related to patentability. (*Id.* at A1454, A1456.) Creo argued that "Screen's contention that no reason is given in the record for the Examiner's Amendment of January 29, 1988 is disingenuous." (*Id.* at A1458.)

On March 24, 2000 – over eight months before the Federal Circuit issued its *en banc* opinion in *Festo* – the District Court, in a thorough and well-reasoned decision, granted summary judgment to Screen on Creo's patent infringement claim. (Pet., App. B.) In analyzing the applicability of the *Warner-Jenkinson* presumption, the District Court – relying on *Warner-Jenkinson* and *Sextant Avionique, S.A. v. Analog Devices, Inc.*, 172 F.3d 817 (Fed. Cir. 1999)[4] – found that (1) the *Warner-Jenkinson* presumption applied because the prosecution history failed to indicate the reason for the amendment which added the "mounted on a curved substrate" limitation; and (2) Creo failed to rebut the presumption, resulting in a complete bar to any range of equivalents as to that limitation. The District Court rejected Creo's contentions that the amendment was

4. In *Sextant*, the Federal Circuit recognized that where the *Warner-Jenkinson* presumption applies, "prosecution history estoppel would bar the application of the doctrine of equivalents as to that element." *Sextant*, 172 F.3d at 831 (quoting *Warner-Jenkinson*, 520 U.S. at 33). Creo claims that *Sextant* provides for a "harsh, rigid bright line rule" that led the District Court into error (Pet. at 2 n.1), when in fact *Sextant*'s holding does nothing more than quote *Warner-Jenkinson* for the uncontroversial proposition – conceded by Creo before the Federal Circuit – that when the *Warner-Jenkinson* presumption applies and is not rebutted, no range of equivalents is available.

not related to patentability and was to address indefiniteness concerns. (Pet., App. B at 20a – 24a .)[5] Accordingly, the District Court found that Screen's products could not meet the "mounted on a curved substrate" limitation under the doctrine of equivalents as a matter of law. (*Id.* at 17a, 24a.)

The District Court's finding is amply supported by the record. There is no statement, reference or indication anywhere in the prosecution history of the reason for Creo's "mounted on a curved substrate" amendment. (*See* Fed. Cir. Jt. App. at A1624-25, A1110-58.) The claim language "a two-dimensional array of laser diodes mounted on a curved substrate" was substituted into the patent by an Examiner's Amendment apparently prepared on January 29, 1988. (*Id.* at A1150-51.) The Examiner's Amendment states that "[a]uthorization for this Examiner's Amendment was given in a telephonic interview with Mr. Gelbart on January 29, 1988." (*Id.*) The PTO file contains a form, identified as PTOL-413, entitled "Examiner's Interview Summary

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5. The District Court noted in response to Creo's doctrine of equivalents argument:

> Creo fails . . . to respond adequately to the main point of [Screen's] motion, i.e., the doctrine of equivalents does not, as a matter of law, apply here. For purposes of this motion, Screen *concedes* that its products contain a structure equivalent to the curved substrate limitation. Screen argues that the court should not employ the doctrine of equivalents at all because Creo is barred from arguing such equivalency by prosecution history estoppel.

Pet., App. B at 15a (emphasis in original). Contrary to Creo's suggestion (Pet. at 12), Screen never conceded it was a "copyist," nor did the District Court or Federal Circuit so find.

Record" dated January 29, 1988. (*Id.* at A1150.) Neither this form nor anything else in the prosecution history indicates the reason for the amendment. Because "the record seems not to reveal the reason" for the amendment (*Warner-Jenkinson*, 520 U.S. at 33), the District Court correctly found the presumption applied. *Id.* at 33-34.

C. Proceedings Before The Federal Circuit

Creo's Opening Brief on appeal contended that the *Warner-Jenkinson* presumption should not apply, making a new argument not presented to the District Court below: that the presumption should not apply because the relevant change in claim language was required by **Examiner**, as opposed to the **applicant**. (OB, 26, 30-35.) Creo conceded that if the presumption did apply, however, it would not be entitled to any range of equivalents for the amended claim limitation under *Warner-Jenkinson*. (OB, 34.)

Notwithstanding the issuance of *Festo* shortly after Creo filed its Opening Brief, Screen's Appellees' Brief argued primarily that the District Court had properly applied the *Warner-Jenkinson* presumption, citing *Warner-Jenkinson* and *Sextant*, as well as *Festo* to the extent it reaffirmed the *Warner-Jenkinson* presumption. (AB, 21-27.) Screen further noted that, even assuming that the presumption did not apply (which it clearly did), *Festo*'s "complete bar" would provide an alternate basis for affirming the District Court's Order. (*Id.* at 28.) In its Reply Brief, Creo abandoned its patent infringement claim, stating that "in view of [the Federal Circuit's] recent holding in *Festo*, Creo will confine its arguments principally to non-patent aspects of its claims." (RB, 3.)

In an unpublished, five page *per curiam* decision dated May 14, 2001, the Federal Circuit affirmed the District Court's order granting summary judgment on all claims for relief. (Pet., App. A.) The Federal Circuit addressed the issue of infringement under the doctrine of equivalents in one paragraph, finding that no range of equivalents was available to Creo and affirming the District Court. (Pet., App. A at 4a.) In so holding, the Federal Circuit referenced its decisions in *Sextant* and *Festo*, both of which followed this Court's unanimous opinion in *Warner-Jenkinson* in holding that where no explanation for an amendment is established, it must be presumed that there was a substantial reason related to patentability for including the limitation and no range of equivalents is available for the claim element as amended. *Sextant*, 172 F.3d at 828; *Festo*, 234 F.3d at 578. Creo's Petition followed.

REASONS FOR DENYING THE PETITION

The Petition is not deserving of review, nor is this case deserving of remand for further proceedings consistent with this Court's forthcoming decision in *Festo*. First, a remand or even a reversal in *Festo* would not provide any legal basis for disturbing the District Court's Order in this case, which was decided before *Festo* and rests squarely upon the *Warner-Jenkinson* presumption. Although the Federal Circuit's *Festo* opinion did reaffirm unanimously the *Warner-Jenkinson* presumption, that portion of the opinion has not been presented for review in the *Festo* appeal. The Court's decision in *Festo* will therefore have no impact on this case.

Second, this case presents a poor vehicle for this Court to reach and resolve so-called "considerations of fairness" in connection with the doctrine of equivalents. Not only is

the *Warner-Jenkinson* presumption clearly applicable to this case, but such considerations should not be addressed in connection with this case because Creo failed to raise them below and, therefore, the record below is almost entirely devoid of support for such considerations. Even if they were addressed, allowing the factors set forth in the Petition to trump the *Warner-Jenkinson* presumption would fly in the face of the notice function of patent claims reaffirmed by this Court in *Warner-Jenkinson* and would thereby undermine over 100 years of Supreme Court precedent.

A. The District Court's Order Was Decided Before *Festo* And Depended Solely On The *Warner-Jenkinson* Presumption. This Court's Resolution Of *Festo* Will Not Affect Resolution Of This Case.

In *Warner-Jenkinson*, this Court addressed the problem where, as here, the prosecution record seems not to reveal the reason for including a claim element by amendment. 520 U.S. at 33. The Court held:

> In our view, holding that certain reasons for a claim amendment may avoid the application of prosecution history estoppel is not tantamount to holding that the *absence* of a reason for an amendment may similarly avoid such an estoppel. **Mindful that claims do indeed serve both a definitional and a notice function, we think the better rule is to place the burden on the patent holder to establish the reason for an amendment required during patent prosecution**. . . Where no explanation is established . . . the court should presume that the patent applicant had a substantial reason related

> to patentability for including the limiting element added by amendment. In those circumstances, prosecution history estoppel would bar the application of the doctrine of equivalents as to that element. The presumption we have described, one subject to rebuttal if an appropriate reason for a required amendment is established, **gives proper deference to the role of claims in defining an invention and providing public notice**, and to the primacy of the PTO in ensuring that the claims allowed cover only subject matter that is properly patentable in a proffered patent application. Applied in this fashion, prosecution history estoppel places reasonable limits on the doctrine of equivalents, and further insulates the doctrine from any feared conflict with the Patent Act.

Id. at 33-34 (emphasis in original; bold added). As set forth in the highlighted language above, the public notice function of patent claims was a paramount concern in *Warner-Jenkinson*, as well as this Court's other opinions addressing the doctrine of equivalents and prosecution history estoppel. *See, e.g., Warner-Jenkinson*, 520 U.S. at 29 ("There can be no denying that the doctrine of equivalents, when applied broadly, conflicts with the definitional and public-notice function of the statutory claiming requirement); *Schriber-Schroth Co. v. Cleveland Trust Co.*, 311 U.S. 211, 221 (1940) ("The injurious consequences to the public and to inventors and patent applicants if patentees were thus permitted to revive cancelled or rejected claims and restore them to their patents are manifest."). As the District Court noted, the *Warner-Jenkinson* presumption is warranted:

> due to the public notice function of the Patent Act, i.e., future inventors should be able to assess with reasonable certainty both the literal scope of the patent claims and the effective extension of the claim scope under the doctrine of equivalents. Through operation of the *Warner-Jenkinson* presumption, the burden is on the patentee to clarify his reasons. The public, and future inventors, should not suffer from an uncertain range of equivalency in a claim due to the patentee's failure to clarify the reasons for an amendment.

Pet., App. B at 16a – 17a (citations omitted).

1. The District Court's Order Was Based On The *Warner-Jenkinson* Presumption, Not *Festo*

As Creo fails to inform the Court, the District Court granted summary judgment of noninfringement under the doctrine of equivalents because of *Warner-Jenkinson*, not any new "bright line test" established by *Festo*. Following *Warner-Jenkinson*, the District Court engaged in a careful factual review of Creo's efforts to rebut the *Warner-Jenkinson* presumption and ultimately found the presumption applied. (*Id.* at 19a - 24a.) As noted, on appeal, Creo dropped its rebuttal argument and all but abandoned its patent infringement claim. In its summary affirmance, the Federal Circuit gave no indication that it was imposing a "bright line test" (as Creo repeatedly contends), but instead simply affirmed the District Court's Order, noting that *Sextant* and *Festo* "preclude application of the doctrine of equivalents under the facts of this case, and we therefore affirm that aspect of the district court's judgment." (Pet., App. A at 4a.)

Given that the District Court's Order is based squarely on this Court's unanimous opinion in *Warner-Jenkinson* and was decided months before *Festo*, Creo's attempt to obtain a remand of this action in light of the Court's grant of certiorari in *Festo* should be rejected. Indeed, Creo purports to rely upon *Warner-Jenkinson* as the basis for its Petition, but fails to even mention that the District Court's grant of summary judgment to Screen was actually based on *Warner-Jenkinson*. *See, e.g.*, Pet. at 2 n.1, 5 (stating that District Court's decision based only on *Sextant*).

2. Neither The Questions Presented In The Petition Nor This Court's Forthcoming Decision In *Festo* Contemplate Overturning The *Warner-Jenkinson* Presumption

Although Creo clearly could not prevail on appeal unless this Court overrules (or severely limits) *Warner-Jenkinson*, the Questions Presented in the Petition do not encompass disturbing *Warner-Jenkinson* in any way. It is well-settled that "[o]nly the questions set forth in the petition, or fairly included therein, will be considered by the Court." Rule 14.1(a); *Yee v. City of Escondido*, 503 U.S. 519, 535 (1992). The Court should therefore deny the Petition.

Further, remand in light of *Festo* would be inappropriate because the questions to be addressed by the grant of certiorari in *Festo* do not contemplate any challenge to the *Warner-Jenkinson* presumption. The Federal Circuit in *Festo* addressed five separate questions, and the Federal Circuit's holding with respect to question four – in which the Federal Circuit unanimously reaffirmed the *Warner-Jenkinson*

presumption as well as the Federal Circuit's decision in *Sextant*[6] – is not at issue in this Court's grant of certiorari in *Festo*.[7] Remand of this case is therefore not appropriate.

Indeed, Creo is simply wrong when it contends that there is a "conflict" between how this case would be resolved under *Warner-Jenkinson* and *Festo*. (Pet. at 2.) Under either case, an unexplained amendment required during prosecution such as the amendment at issue here results in a bar to the doctrine of equivalents. Remand is therefore not appropriate. *See Lawrence v. Chater*, 516 U.S. 163, 167-68 (1996) (remand appropriate only if "reasonable probability that the decision below rests upon a premise that the lower court would reject if given the opportunity for further consideration.")

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6. Question four in *Festo* was as follows: "When 'no explanation [for a claim amendment] is established,' thus invoking the presumption of prosecution history estoppel under *Warner-Jenkinson*, what range of equivalents, if any, is available under the doctrine of equivalents for the claim element so amended?" 234 F.3d at 578 (quoting *Warner-Jenkinson*, 520 U.S. at 33). The Federal Circuit answered unanimously that "[w]hen no explanation for a claim amendment is established, no range of equivalents is available for the claim element so amended." 234 F.3d at 578.

7. The "Questions Presented" in *Festo*'s Petition for Writ of Certiorari (dated April 9, 2001) address only *Festo*'s questions one and three. Specifically, the *Festo* Petition asked "[w]hether every claim-narrowing amendment designed to comply with any provision of the Patent Act – including those provisions not related to prior art – automatically creates prosecution history estoppel regardless of the reason for the amendment"; and "[w]hether the finding of prosecution history estoppel completely bars the application of the doctrine of equivalents." Neither question contemplates challenging the *Warner-Jenkinson* presumption.

That the Federal Circuit's opinion affirming the District Court happens to cite *Festo* along with pre-*Festo* authority (*Sextant*) should not provide Creo with an opportunity to delay final resolution of this action, particularly given that the District Court's Order does not even cite *Festo*, as it was issued months *before* that opinion was issued. The Federal Circuit most likely cited *Festo* for its uncontroversial and unanimous recognition that the *Warner-Jenkinson* presumption, when applicable, bars application of the doctrine of equivalents – the same proposition for which the Federal Circuit cited *Sextant* and which was conceded by Creo below.

B. So-Called "Considerations Of Fairness" Should Not Be Reached, As They Were Not Raised Below And Therefore Do Not Present An Adequately Developed Record For Adjudication. In Any Event, The Factors Set Forth In The Petition Must Yield To The Public Notice Function Of Patent Claims.

Even if the Court were inclined to review so-called "considerations of fairness," this case is a poor vehicle to do so for several reasons.

1. Creo Failed To Raise Purported "Considerations Of Fairness" Below.

The Petition seeks this Court's review of the role of purported "considerations of fairness" in the doctrine of equivalents analysis. This case presents a particularly poor vehicle for the Court to address such novel considerations, even if they had any vitality.

First, because review of the arguments presented below would confirm that the *Warner-Jenkinson* presumption applies here, the Court would have no need to reach the "consideration of fairness" Creo addresses.

More fundamentally, though Creo was well aware that *Warner-Jenkinson* was the basis of Screen's summary judgment motion, Creo failed to raise below virtually every one of the "considerations" referenced in the Petition. As a result, most of the "considerations" are not supported by any evidence in the record.[8]

Rather than arguing to the District Court the considerations set forth in the Petition, Creo attempted to rebut the *Warner-Jenkinson* presumption by arguing that "[t]he record is not silent or ambiguous as to the reasons for the Examiner's Amendment of January 29, 1988" and that "Screen's contention that no reason is given in the record for the Examiner's Amendment of January 29, 1988 is disingenuous." (Fed. Cir. Jt. App. at A1458.)

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8. For example, the record is devoid of support concerning (1) whether Creo's inventor, Mr. Gelbart, had limited funds and whether a lack of funds contributed to Mr. Gelbart's decision to prosecute the patent-in-suit *pro se*; (2) whether Mr. Gelbart lacked experience in drafting claims and prosecuting patents; (3) whether Mr. Gelbart's purported inexperience was the cause of rejections by the Examiner; (4) whether the Examiner "perhaps recogniz[ed]" Mr. Gelbart's inexperience in offering suggestions as to how the claims could be amended; (5) whether Mr. Gelbart, in prosecuting the application, acted with the assistance or advice of any counsel; (6) whether Mr. Gelbart speaks English as a second language; and (7) whether Mr. Gelbart trusted a recommendation made by the Examiner for amending his application.

Creo should not now be allowed to argue a completely different theory before this Court. This Court should adhere to its well-established practice of declining to consider issues not clearly raised or addressed below. *See Singleton v. Wulff*, 428 U.S. 106, 120 (1976). This practice is "essential in order that parties may have the opportunity to offer all the evidence they believe relevant to the issues . . . [and] in order that litigants may not be surprised on appeal by final decision there of issues upon which they have had no opportunity to introduce evidence." *Hormel v. Helvering*, 312 U.S. 552, 556 (1941).[9] It applies with particular force to review of summary judgment orders, which should be limited to materials before the District Court. *See, e.g., Adickes v. S.H. Kress & Co.*, 398 U.S. 144, 157 n.16 (1970) (in reviewing grant of summary judgment, statement not in proceedings below cannot be properly considered for first time on appeal); 10A C. Wright, A. Miller & M. Kane, *Federal Practice and*

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9. Creo distorts the procedural history and state of the record below when stating that the Federal Circuit "declined to consider any mitigating factors and reached its result without regard for whether the result was fair, equitable or consistent with the constitutional purpose of the patent system." (Pet. at 6.) As set forth above, most of the purported "fairness" factors pressed by Creo in its Petition were never raised below in either the District Court or the Federal Circuit. Unsupported by anything in the record, the Federal Circuit therefore could not have properly considered such factors even if it wanted to address an issue not raised below for the first time on appeal. Further, Creo's contention that its attempt to draw a distinction between "unexplained amendments" made by the Examiner as opposed to the applicant was "side-stepped" by the Federal Circuit (Pet. at 13) is also inaccurate. Creo did not raise this issue in the District Court, and simply abandoned the issue in its Reply Brief in the Federal Circuit. *See* RB at 3 ("in view of [the Federal Circuit's] recent holding in *Festo*, Creo will confine its arguments principally to the non-patent aspects of its claims.")

Procedure § 2716, at 282-86 (3d ed. 1998) (court reviewing summary judgment order "can consider only those papers that were before the trial court. The parties cannot add exhibits, depositions, or affidavits to support their position. *Nor can they advance new theories or raise new issues in order to secure a reversal of the lower court's determination.*") (emphasis added) (footnotes omitted).

2. Purported "Considerations Of Fairness" Cannot Trump The Notice Function Of Patent Claims.

Even if properly raised and supported by the record, there is no reason that Creo's so-called "considerations of fairness" should require an exception to the *Warner-Jenkinson* presumption. First, Creo is in error in contending that an amendment is "explained" for purposes of the *Warner-Jenkinson* presumption simply because the Examiner made the amendment. (Pet. at 13-14.) Given the public notice function of patent claims noted above, the critical question for purposes of the *Warner-Jenkinson* presumption is whether the prosecution history reveals **why** the amendment was suggested, not **who** suggested it. *Warner-Jenkinson* clearly encompasses situations where, as here, the Examiner required the change. 520 U.S. at 33 (referring to "an amendment *required* during patent prosecution") (emphasis added). *See also Mycogen Plant Science, Inc. v. Monsanto Co.*, __ F.3d __, 2001 WL 910389 (Fed. Cir. Aug. 14, 2001) (where applicant acquiesced in Examiner's proposal to limit claim language, "it is appropriate to limit [applicant] to the literal scope of the claims to which it agreed"); *K-2 Corp. v. Salomon S.A.*, 191 F.3d 1356, 1369-70 (Fed. Cir. 1999) ("[t]he fact that the words were formally entered by the Examiner (after conversations with the applicant) rather than the applicant *does not affect the question of whether a*

substantial reason related to patentability precipitated their addition.") (emphasis added). Indeed, Creo's contention that simply because the Examiner formally entered the amendment (with the applicant's express consent), the applicant should be entitled to immunity from prosecution history estoppel, ignores over 100 years of Supreme Court precedent.[10]

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10. *See Graham v. John Deere Co.*, 383 U.S. 1, 34 (1966) ("the patentee obtained his patent only by accepting the limitations imposed by the Examiner. The claims were carefully drafted to reflect these limitations and Cook Chemical is not now free to assert a broader view of Scoggin's invention."); *Schriber-Schroth Co. v. Cleveland Trust Co.*, 311 U.S. 211, 221-22 (1940) ("the patentee, having acquiesced in the rejection, is no longer free to gain the supposed advantage of the rejected claims by a construction of the allowed claims as equivalent to them."); *Smith v. Magic City Kennel Club, Inc.*, 282 U.S. 784, 789 (1931) ("where an applicant for a patent to cover a new combination is compelled by the rejection of his application by the Patent Office to narrow his claim by the introduction of a new element, he cannot after the issue of the patent broaden his claim by dropping the element which he was compelled to include in order to secure his patent."); *Morgan Envelope Co. v. Albany Perforated Wrapping Paper Co.*, 152 U.S. 425, 429 (1894) ("the patentee having once presented his claim in that form and the patent office having rejected it, and he having acquiesced in such rejection, he is, under the repeated decisions of this court, now estopped to claim the benefit of his rejected claim or such a construction of his present claim as would be equivalent thereto."); *Crawford v. Heysinger*, 123 U.S. 589, 606-07 (1887) ("The patentee having imposed words of limitation upon himself in his claims, especially when so required by the patent-office in taking out his reissue, is bound by such limitations, in subsequent suits on the reissued patent. Such have been the uniform decisions of this court in like cases."); *Sutter v. Robinson*, 119 U.S. 530, 541(1886) (patentee "is not at liberty now to insist upon a construction of his patent which will include what he was expressly required to abandon and disavow as a condition of the grant.").

Second, many of the types of "considerations" Creo raises are not disclosed in the '091 patent's file wrapper, nor would they typically be disclosed in file wrappers of other patents. For example, there would be no way for a competitor examining the file wrapper to determine whether the applicant had limited funds, whether the applicant was prosecuting the application without the assistance of a lawyer, whether English was the applicant's second language, etc. To create an exception to the *Warner-Jenkinson* presumption based on such "considerations of fairness" not found in the prosecution history would fly in the face of the public notice function of patent claims discussed in *Warner-Jenkinson*. It would also likely encourage applicants to try to take advantage of such an exception and avoid the *Warner-Jenkinson* presumption and prosecution history estoppel by, for example, deciding to prosecute patent applications *pro se*. This is not, and cannot, be the law.

Third, this Court has repeatedly held that the types of litigation-inspired speculation set forth in the Petition as to the Examiner's and the applicant's motives in prosecuting a patent are improper. *See Warner-Jenkinson*, 520 U.S. at 33 n.7 (courts should not inquire into correctness of Examiner's objection that led to claim amendment; "such concerns are properly addressed on direct appeal from the denial of a patent, and will not be revisited in an infringement action"); *Hubbell v. United States*, 179 U.S. 77, 83-84 (1900) (courts should not speculate as to whether amendment material to prosecution of patent; "all must be regarded as material").

Finally and perhaps most importantly, Creo's suggestion that estoppel principles should not apply here because there was no "act of commission or omission by the person to be estopped" (Pet. at 13) completely ignores the facts that

(1) Mr. Gelbart himself authorized and accepted the amendment; and (2) he understood that adding the word "curved" to claim 1 limited the scope of his patent. *See* note 3 *supra*. Accordingly, the only unfairness that could result here would be to allow Mr. Gelbart's clear and unmistakable acceptance and authorization of the amendment to cause further delay in final resolution of this action.

CONCLUSION

For the foregoing reasons, the Petition for a Writ of Certiorari should be denied.

Respectfully submitted,

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IN THE

Supreme Court of the United States

CREO PRODUCTS INC.,

Petitioner,

v.

DAINIPPON SCREEN MFG. CO., LTD., D.S. NORTH AMERICA HOLDINGS, INC., and DS AMERICA, INC.,

Respondents.

ON PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

REPLY BRIEF

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Petitioner Creo Products Inc. hereby responds to Respondent's Opposition as follows:

The Federal Circuit clearly relied on its decision in *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabashuki Co., Ltd.*, 234 F.3d 558 (Fed. Cir. 2000) to affirm the district court below. The Federal Circuit's own decision states, "We agree with Dainippon that our decisions in *Sextant Avionique, S.A. v. Analog Devices, Inc.*, 172 F.3d 817 . . . (Fed. Cir. 1999), and *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabashuki Co.*, 234 F.3d 558 . . . (Fed. Cir. 2000), preclude application of the doctrine of equivalents under the facts of this case. . . ." (App. 4a). Not only did the Federal Circuit expressly rely on *Festo* below, this single sentence is, in fact, the *only* reason given by the Federal Circuit for affirming the district court's summary dismissal of Creo's patent infringement claim. Respondent's claim that *Festo* played no role in the ultimate disposition of this case is untrue.

As in *Festo*, the issue here is whether the decisions of the Federal Circuit and district court below are consistent with this Court's precedent in *Warner-Jenkinson Co. v. Hilton Davis Chem. Co.*, 520 U.S. 17 (1997). The issue here, namely whether the "presumption" expressed in *Warner-Jenkinson* should apply when an "unexplained" amendment originates with the Patent Examiner as opposed to the patent applicant, arises directly from this Court's holding in *Warner-Jenkinson*. In *Warner-Jenkinson*, this Court stated, "Where no explanation [for an amendment] is established . . . the court should presume that the *patent applicant* had a substantial reason related to patentability for including the limiting element added by amendment." *Id.* at 33. (Emphasis supplied.)

This language from *Warner-Jenkinson* strongly suggests that the presumption created by this Court is intended to apply when a *patent applicant* makes an amendment without explaining his reasons for doing so. This language, which focuses specifically

on the actions of a patent applicant, further suggests that the presumption does not arise when someone other than the patent applicant (i.e., the Patent Examiner) makes an amendment. The difference whether the Patent Examiner or patent applicant proposes an amendment is not immaterial.

Patent applicants and Patent Examiners have different interests and incentives. Unlike a patent applicant who might be tempted to amend a claim without explanation in an effort to avoid prior art without creating an estoppel, the Examiner, who represents the public's interest in deciding whether to grant patent rights, has no such incentive. On the contrary, the Examiner is interested in seeing that only valid patents of proper scope are issued. The Examiner, therefor, has no reason whatsoever to propose amendments for anything other than completely legitimate, proper purposes. The purpose behind the *Warner-Jenkinson* presumption, namely to provide an incentive for *patent applicants* to explain the reasons for their amendments, does not exist in the case of amendments proposed by the Examiner rather than patent applicant.

Contrary to Respondent's claims, this argument was indeed presented below.[1] Creo never abandoned its claim of patent infringement. On the contrary, Creo properly recognized that the Federal Circuit's just then issued decision in *Festo* expressly eliminated the "flexible bar" on which Creo relied and precluded an outcome favorable to Creo. Rather than submit a hopeless and intellectually dishonest argument that *Festo* somehow did not control, Creo elected instead to preserve its rights against the possibility that this Court might reject the *en banc* holding of the Federal Circuit in *Festo*. Respondent's claim that Creo abandoned its patent claims is untrue.

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1. Creo's arguments regarding the doctrine of equivalents and the significance of amendments made by the Examiner as opposed to patent applicant made up more than two-thirds of Creo's opening brief to the Federal Circuit as well as a significant part of Creo's oral argument before that court.

Finally, Respondent's claim that this case is a "poor vehicle" for addressing considerations of fairness is without basis. Respondent's claim that these issues do not appear "in the record" is untrue. The prosecution history of the Gelbart patent clearly shows that the Examiner proposed the claim amendment at issue. The deposition testimony of Mr. Gelbart clearly addresses the circumstances surrounding his application for his patent.[2] The arguments against application of the *Warner-Jenkinson* presumption under the facts of this case made up the bulk of Creo's opening brief to the Federal Circuit. Despite Respondent's arguments and rhetoric, the fact remains that Respondent does not, and cannot, challenge a single one of the material facts presented in Creo's Petition for Certiorari.

The instant case remains a dramatic example of the injustices that result from the mechanical, bright line test adopted by a panel of the Federal Circuit in *Sextant Avionique, S.A. v. Analog Devices, Inc.*, and applied across the board by the *en banc* decision in *Festo*. The unique issues raised here, including whether all access to the doctrine of equivalents should be lost when Examiner's Amendments are made to a patent application, are important far beyond the confines of this case. That issue is not directly raised in *Festo*, but remains of extreme importance to the owners of the hundreds of thousands of unexpired patents having examiner's amendments in their file histories.

The instant case was, in fact, disposed of on the basis of *Festo*. To the extent this Court overrules or otherwise modifies the holding in *Festo*, this case should be remanded for proceedings consistent therewith. Given that this case raises issues that are closely related to those in *Festo*, but nevertheless unique, certiorari should be granted so that this Court can consider all

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2. To the extent any relevant facts are not "of record," this is because the district court dismissed Creo's claim on summary judgment. Obviously, missing facts, if any, can be supplied in the event of a remand.

related issues in its forthcoming review. At the very least, a decision on this Petition for Certiorari should be held in abeyance until *Festo* is decided so that the Court can consider then whether the modifications to *Festo* warrant a remand here.

CONCLUSION

For the foregoing reasons, the Petition should be granted.

Respectfully submitted,

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